



Committee On Finance

Max Baucus, Chairman

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Contacts: Michael Siegel, Lara Birkes

202-224-4515

STATEMENT OF SENATORS MAX BAUCUS AND GORDON SMITH ON THE “HEALTH INSURANCE ACCESS ACT OF 2002”

Today Senator Max Baucus (D-MT) and Senator Gordon Smith (R-OR) announced the introduction of a bill to address one of the most serious problems facing the United States – the high and rising number of Americans without health insurance.

“Covering the uninsured is not a Democratic issue or a Republican issue. It’s an American issue,” said Baucus. “I’m pleased to be working with Senator Smith in a bipartisan effort to reduce the number of uninsured. We need to do something, and we need to do it now.”

"There has never been a better, or more important, time to act with respect to the uninsured," Smith said. With a stalled economy and rapidly rising health care costs, more and more Americans will find themselves without health insurance. This is no time to ignore them."

The “Health Insurance Access Act of 2002” attacks the problem of the uninsured on several fronts.

First, the bill targets uninsured Americans who work for small businesses. It would give a tax credit of up to 50 percent to small firms for the cost of health insurance premiums. The credit is designed to give small employers with fewer than 50 employees the extra resources they need to extend, or continue to offer, health benefits to millions of hard-working Americans and their families. The bill provides funding to states, private employer groups, and associations to create purchasing pools, which would give small employers and individuals more affordable health insurance options.

Second, the bill sets aside \$50 million annually to support state high risk pools. These pools serve the dual purpose of offering high-risk individuals a place to purchase affordable health coverage and helping to lower premiums for everyone else by isolating the costs of high-risk individuals.

Third, the bill would allow states to expand health insurance coverage to the parents of children who are eligible for Medicaid and the Children’s Health Insurance Program. Such expansions have the potential to reach millions of low-income parents who fall just above the

current eligibility levels. The proposal will also help increase the number of children covered by keeping whole families in the same health insurance plan.

Finally, the bill would allow uninsured Americans between the ages of 62 and 65 to buy into Medicare. Americans in this age group represent the fastest growing group of uninsured, largely because they not old enough to be on Medicare, but are unable to afford the high cost of private health insurance options. The bill would offer the near-elderly a more affordable, quality health care package to tide them over until they reach 65.

“Our bill would lift millions of Americans out of the ranks of the uninsured,” said Baucus. “It would give countless families the peace of mind that comes from knowing they will receive the care they need, when they need it. And it would lighten the load of uncompensated care on our over-burdened health care system.”

“I hope our colleagues will join this fight by helping us pass this legislation,” continued Smith. “We need to take a solid step toward providing quality, affordable health insurance to all Americans.”